



U.S. Department of Justice

*United States Attorney
District of Maryland
Northern Division*

*Thomas M. DiBiagio
United States Attorney*

*Vickie E. LeDuc
Public Information Officer*

*6625 United States Courthouse
101 West Lombard Street
Baltimore, Maryland 21201-2692*

*410-209-4800
TTY/TDD: 410-962-4462
410-209-4885
FAX 410-962-3091
Vickie.LeDuc@usdoj.gov*

**April 30, 2003
FOR IMMEDIATE RELEASE**

**FOR FURTHER
INFORMATION CONTACT
VICKIE LEDUC, AUSA
(410) 209-4885**

CAMBRIDGE MAN PLEADS GUILTY TO WIRE FRAUD

BALTIMORE, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, announced today that Rodney Bounds, age 38, of Cambridge, Maryland, pled guilty today before United States District Judge Catherine C. Blake to one count of wire fraud.

Bounds was charged in January, 2003 in a nine count indictment with engaging in a scheme to defraud Melissa and Troy Smith of Federalsburg, Maryland by falsely representing to them that, among other things, he would share \$33 million in lottery winnings, which in fact he had not won, if they gave him money to help pay for associated attorney's fees.

According to the statement of facts presented in court, Bounds befriended the Smiths in about June of 2002. Bounds persuaded the Smiths to give him more than \$40,000 based on false representations and promises made between June and December, 2002. Bounds falsely represented that he needed to pay attorney's fees allegedly incurred in his efforts to recover \$33 million in lottery winnings. Bounds told the Smiths he would split the lottery winnings with them when he obtained the money. Bounds also convinced the Smiths to give him money, rent vehicles and pay for cellular telephones to use in connection with Bounds' alleged position as chief operating officer of a non-

profit organization known as the Hope on Aids Foundation, also known as HOAF. In order to so convince the Smiths, Bounds, who was loosely associated with HOAF, provided forged letters on HOAF letterhead to the Smiths.

As set forth in the statement of facts, in the fall of 2002 at the time that Bounds was obtaining some of the monies and items from the Smiths, Bounds had already pled guilty in the United States District Court in Maryland to bank fraud in an unrelated case and was awaiting sentencing. In fact, Bounds used the name of the federal pretrial services officer assigned to his pending case when he falsely told the Smiths that an FBI agent by that name was assisting him in his efforts to recoup his lottery winnings. Bounds also used the name of the attorney who was then representing him in his pending criminal case as the name of an alleged Internal Revenue Service employee that he claimed could help the Smiths work out the tax implications of the \$15 or more million that they would receive from the lottery winnings.

Bounds faces a maximum penalty of 10 years imprisonment and a fine of \$250,000 or twice the amount of loss caused by the offense. Sentencing on both the previous bank fraud case and the wire fraud case is scheduled for July 11, 2003.

The case was investigated by the Federal Bureau of Investigation and is being prosecuted by Assistant U.S. Attorney Kathleen O. Gavin.